

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

-----X
UNITED STATES OF AMERICA, : 15-CR-252 (PKC)
Plaintiff, :
-against- : United States Courthouse
HERNAN LOPEZ, : Brooklyn, New York
Defendant. : Monday, April 20, 2020
-----X : 11:00 a.m.

TRANSCRIPT OF CRIMINAL CAUSE FOR BAIL APPLICATION
BEFORE THE HONORABLE PAMELA K. CHEN
UNITED STATES DISTRICT JUDGE

A P P E A R A N C E S:

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Proceedings

2

1 (All parties appearing via teleconference.)

2 THE COURTROOM DEPUTY: Criminal cause for bail
3 application, Docket Number 15-CR-252, United States of
4 America versus Lopez.

5 Before the parties state their appearances,
6 persons granted remote access to proceedings are reminded of
7 the general prohibition against photographing, recording, or
8 rebroadcasting of court proceedings. Violation of these
9 prohibitions may result in sanctions, including removal of
10 Court-issued media credentials, restrictive entry to future
11 hearings, denial of entry to future hearings, or any other
12 sanctions deemed necessary by the Court.

13 The attorneys are reminded to state their names
14 prior to speaking on the record.

15 Will the parties please say their appearances for
16 the record, starting with the Government.

17 MR. NITZE: Sam Nitze, Kristen Mace, Keith Edelman
18 and Patrick Hein for the Government. This is Sam Nitze
19 speaking.

20 Good morning, Your Honor.

21 THE COURT: Good morning.

22 MR. SPERTUS: This is James Spertus for Hernan
23 Lopez, who is also on the call. And also on the call are
24 Matthew Umhofer and Samuel Josephs.

25 THE COURT: All right. And good morning to all of

Proceedings

3

1 you.

2 And, Mr. Lopez, I just want to confirm that you
3 are on the phone?

4 THE DEFENDANT: Yes, I am, Your Honor.

5 THE COURT: Okay. And Mr. Spertus, does Mr. Lopez
6 waive his personal or in-person appearance for this bail
7 signing?

8 MR. SPERTUS: He does, yes, Your Honor.

9 THE COURT: Okay. And then I guess if you can
10 tell me how it is that you know that Mr. Lopez is on the
11 phone?

12 MR. SPERTUS: Your Honor, Matthew Umhofer is also
13 on the phone and will speak for Mr. Lopez from here on out.
14 I have spoken to Mr. Lopez extensively and I recognize his
15 voice.

16 THE COURT: Okay. And without waiving any
17 privilege, did you advise him about the number to call in
18 order to participate today with the time?

19 MR. UMHOFFER: He has been advised -- Your Honor,
20 this is Matthew Umhofer.

21 He is aware that today was the day that he needed
22 to call and had the number and all of that. And actually,
23 Mr. Josephs will be speaking more today than I or
24 Mr. Spertus going forward.

25 THE COURT: Okay.

Proceedings

4

1 And then we have a Pretrial officer also present.
2 Is that right?

3 MR. MOORE: Yes. Good morning, Your Honor. This
4 is Rame1 Moore from Pretrial Services.

5 THE COURT: All right. Good morning to you,
6 Mr. Moore.

7 As everyone knows, we are here today for the bond
8 signing. I have been provided with a written copy of the
9 bond. And let me summarize briefly what the bond -- well,
10 let me summarize the main portions of the bond, which has
11 been signed by a number of suretors. And in a moment, I
12 will confirm that they are also here today.

13 But the bond does provide for -- well, it is in
14 the amount of, rather, \$15 million. The defendant will be
15 subject to geographic restrictions, or travel restrictions.
16 Ostensibly, or primarily, he will be restricted to remaining
17 in the Central District of California and New York City,
18 except as approved with at least two days' advance notice by
19 Pretrial Services. He will also be subject to random visits
20 by Pretrial Services, as well as reporting to
21 Pretrial Services as they direct.

22 This is a secured bond, so there are at least
23 three suretors who have signed the bond so far: August
24 Martin, Scott Velasquez, and Wayne Fastow.

25 And this is to the court reporter. I am assuming

1 that you have all of those spellings, but you can stop me if
2 at any point you need me to spell it; or you feel free stop
3 anyone else, as well.

4 I will also note that there is a curfew that
5 applies here to Mr. Lopez. He must remain at home between
6 the hours of 10:00 p.m. and 6:00 a.m. every day. He can
7 apply to Pretrial Services for any exceptions, but
8 obviously, he would have to give them advance notice and get
9 approval because the boxes are checked as 10:00 to 6:00, or
10 as directed by Pretrial Services. So obviously, this
11 contemplates some different schedule being approved by
12 Pretrial Services.

13 All right. And then there are other conditions,
14 but they are set forth in the bond. I just want to
15 summarize the main ones. There is property posted, which is
16 owned based on what is before me by three of the suretors,
17 and that is indicated in Attachment B.

18 Now, before I have the suretors identify
19 themselves, is there anything else that I should advise or
20 confirm right now with the parties?

21 Mr. Nitze?

22 MR. NITZE: Your Honor, I think just once the
23 defendant and the suretors are sworn, just to confirm that
24 they have been advised of all the conditions and have read
25 and understood the entirety of the bond package.

Proceedings

6

1 THE COURT: Absolutely.

2 Anything that you think, Mr. Josephs, I should
3 advise the parties before I turn to the suretors?

4 MR. JOSEPHS: This is Sam Josephs. No,
5 Your Honor.

6 THE COURT: All right.

7 MR. JOSEPHS: Thank you.

8 THE COURT: So the suretors that I understand are
9 on the line are Mr. August Martin.

10 Will you confirm that you are on the conference,
11 sir?

12 MR. MARTIN: Yes, Your Honor. This is August
13 Martin.

14 THE COURT: Okay. And next, Scott Velasquez.
15 Are you also here?

16 MR. VELASQUEZ: Yes, Your Honor, I am. This is
17 Scott Velasquez.

18 THE COURT: Okay.

19 Wayne Fastow?

20 MR. FASTOW: Yes, Your Honor, I am present.

21 THE COURT: Okay.

22 And James DeMayo, D-E-M-A-Y-O, capital M.

23 Is that right?

24 MR. DEMAYO: Yes.

25 THE COURT: Okay.

Proceedings

7

1 I do want to ask one questions of the lawyers.
2 Mr. DeMayo's signature is not on the bond that I have; is
3 that correct? And I know that a couple of versions were
4 sent later, but I think they were all the same with respect
5 to the signers on the bond.

6 Mr. Nitze?

7 MR. NITZE: Yes, Your Honor, that's correct.

8 Mr. DeMayo, who is a bond agent for Mr. Josephs, will -- if
9 I miss important facts here, he can -- he will jump in. But
10 he's a bond agent.

11 THE COURT: Okay.

12 MR. NITZE: And Attachment C is the form by which
13 he has signed on for his company to be liable for \$175,000.
14 And as I understand it, there is a bond form, an additional
15 form that will be filed as soon as the bond itself has been
16 filed.

17 Mr. Josephs, did I get that right?

18 MR. JOSEPHS: This is Sam Josephs. That's
19 correct.

20 Your Honor, we just wanted Mr. DeMayo on the phone
21 in case the Court had any questions about Attachment C and
22 to confirm the signature on Attachment C. And that's
23 correct, there will be a Power of Attorney Form that will be
24 filed with the Clerk of the Court that is referenced in
25 Attachment C by Mr. DeMayo's company.

Proceedings

8

1 THE COURT: Okay. And let me confirm, then. In
2 Attachment C there are only two handwritten signatures? One
3 purports to be the defendant's, and then the other one
4 simply says, Attorney in Fact.

5 Is that Mr. DeMayo's signature?

6 MR. JOSEPHS: This is Sam Josephs --

7 MR. DEMAYO: Yes.

8 MR. JOSEPHS: I'm sorry. Yes, Your Honor. He is
9 the signee.

10 THE COURT: Okay. That was Mr. Josephs confirming
11 that.

12 Is that right?

13 MR. JOSEPHS: Yes, Your Honor.

14 THE COURT: Okay. Thank you.

15 So let me have all of the four individuals, and I
16 will include you, Mr. DeMayo, in that, the three suretors
17 and then Mr. DeMayo be sworn in and given an oath.

18 THE COURTROOM CLERK: Okay. Starting with
19 Mr. August Martin --

20 THE COURT: Wait. YiQing, you could just recite
21 the whole thing and then I will confirm with them
22 individually.

23 THE WITNESS: Okay.

24 THE COURT: Thank you.

25

Proceedings

9

1 A U G U S T M A R T I N ,
2 S C O T T V E L A S Q U E Z ,
3 W A Y N E F A S T O W ,
4 A N D J A M E S D E M A Y O ,

5 called as witnesses having been first duly
6 sworn/affirmed, were examined and testified as
7 follows:

8 THE COURTROOM CLERK: Please state and spell your
9 name for the record.

10 THE COURT: Okay. So first Mr. Martin. Do you
11 swear to tell the truth?

12 MR. MARTIN: I do.

13 THE COURT: Okay.

14 And the spelling we will dispense with, because I
15 think the court reporter has all of them.

16 Mr. Velasquez, will you confirm?

17 MR. VELASQUEZ: I do.

18 THE COURT: And Mr. Fastow?

19 MR. FASTOW: I do.

20 THE COURT: And Mr. DeMayo?

21 MR. DEMAYO: I do, Your Honor.

22 THE COURT: Okay.

23 Now, let me direct this question to the defense
24 attorneys. Can one of you confirm for me the identities of
25 the individuals who have just identified themselves as the

Proceedings

10

1 suretors and then Mr. DeMayo, and explain to me how it is
2 that you can confirm their identities?

3 MR. JOSEPHS: Your Honor, this is Sam Josephs. I
4 have spoken extensively to all four of the sureties that are
5 on the call. I recognize all of their voices, and I have
6 reviewed photos of the driver's licenses for Mr. Martin,
7 Mr. Fastow, and Mr. Velasquez. Mr. DeMayo, I've known for
8 years, and I've spoken to him extensively on the phone. And
9 I have provided all four of them with the call-in
10 information for today's call.

11 THE COURT: Okay. And I'm curious, how did you
12 accomplish the signatures? Was it done electronically or
13 via mail, in *seriatim*?

14 MR. JOSEPHS: I was done via e-mail. The forms
15 were printed, signed, scanned, and e-mailed back to me,
16 Your Honor.

17 THE COURT: Okay. And before all of that, you
18 confirmed by looking at their driver's licenses that they
19 are who they say they are before they signed?

20 MR. JOSEPHS: I did, Your Honor.

21 THE COURT: Okay.

22 All right. Now, let me advise the suretors, and
23 obviously you, Mr. DeMayo, as well since you are signing
24 this bond on behalf of the company.

25 And, Mr. DeMayo, let me ask you. The company,

Proceedings

11

1 just to confirm, is Allegheny Casualty Company.

2 Is that right?

3 MR. DEMAYO: Yes, it is, Your Honor.

4 THE COURT: Okay.

5 All right. And first, Mr. Martin, let me ask you.

6 What is your relationship to this defendant?

7 MR. MARTIN: A friend.

8 THE COURT: Okay. And how long have you been
9 friends?

10 MR. MARTIN: Twenty years.

11 THE COURT: All right.

12 And, Mr. Velasquez, same question. How do you
13 know Mr. Lopez?

14 MR. VELASQUEZ: Oh, we were partners.

15 THE COURT: Business or --

16 MR. VELASQUEZ: (Indiscernible response.)

17 THE COURT: I'm sorry?

18 MR. VELASQUEZ: Yeah.

19 THE COURT: I'm sorry. Did you say personal
20 partners, domestic partners?

21 MR. VELASQUEZ: Yes, Your Honor. This is Scott
22 Velasquez.

23 THE COURT: Okay. And how long have you known
24 each other?

25 MR. VELASQUEZ: A little over two years.

Proceedings

12

1 THE COURT: Okay.

2 And to go back to you, Mr. Martin. How often do
3 you see Mr. Lopez?

4 MR. MARTIN: Probably every few weeks.

5 THE COURT: Okay. Now, turning to Mr. Fastow.
6 How do you know Mr. Lopez?

7 MR. FASTOW: We were also friends 20 years --

8 THE COURT: Okay.

9 MR. FASTOW: -- or for 20 years.

10 THE COURT: Twenty years?

11 MS. FASTOW: Yes.

12 THE COURT: Okay. And how often do you see him
13 currently?

14 MR. FASTOW: Every several weeks, I would think,
15 Your Honor.

16 THE COURT: Okay.

17 And now turning to Mr. DeMayo. Mr. DeMayo, are
18 you the attorney for Allegheny Casualty Company?

19 MR. DEMAYO: No. I'm an associate in business for
20 them.

21 THE COURT: An appointed agency, did you say?

22 MR. DEMAYO: Yes.

23 THE COURT: Okay. And what does that mean
24 exactly, if you don't mind me asking?

25 MR. DEMAYO: We're a present value insurance

Proceedings

13

1 company who represents them for bail for the state of
2 California, but also for federal court.

3 THE COURT: I see.

4 Okay. And so you're, in effect, a bonds --

5 MR. DEMAYO: Exactly.

6 THE COURT: -- you work for a bond company?

7 MR. DEMAYO: That's correct.

8 THE COURT: Okay. And you're pledging on behalf
9 of whom, the \$175,000?

10 MR. DEMAYO: On behalf of -- the name is [REDACTED]

11 [REDACTED] [sic].

12 THE COURT: Okay. Why don't you spell that again,
13 please.

14 MR. DEMAYO: I think it's -- it's a -- [REDACTED]

15 [REDACTED]
16 [REDACTED] [sic].

17 THE COURT: Okay.

18 So let me ask the court reporter? Did you get
19 that, David?

20 THE COURT REPORTER: Yes, I did, Your Honor.
21 Thank you.

22 THE COURT: Okay. Thank you.

23 All right. Let me turn first to the three
24 suretors and make sure that you understand the obligations
25 and the risks that you are undertaking by signing this bond

Proceedings

14

1 for your friend and partner. As I understand, this is a
2 \$15 million bond, and it's secured by your properties. What
3 it means, though, is that if Mr. Lopez does not appear in
4 court as required or follow any of the conditions in the
5 bail bond that you have signed, any single one of you could
6 be held responsible for the entire \$15 million amount of
7 the bond.

8 Do you understand that, Mr. Martin?

9 MR. MARTIN: I do understand that.

10 THE COURT: Mr. Velasquez.

11 MR. NITZE: Your Honor?

12 THE COURT: Oh, go ahead.

13 MR. NITZE: I'm sorry to interrupt. This is Sam
14 Nitze.

15 THE COURT: Yes, go ahead, Mr. Nitze.

16 MR. NITZE: I just wanted to note that the three
17 sureties are dis-situated somewhat differently, and there is
18 an asterisk on the bond form next to the face amount.
19 You'll see that it says, As limited on Attachment B.

20 THE COURT: Oh, okay.

21 MR. NITZE: And I would just note, Mr. Martin, as
22 you have indicated, he is on for the face amount and has
23 posted property and partial security.

24 Mr. Velasquez also is on for the face amount
25 without property.

Proceedings

15

1 THE COURT: Oh, okay.

2 MR. NITZE: And, Mr. Fastow, however, Your Honor,
3 is on for the amount of the posted property but limited to
4 that.

5 THE COURT: Okay. Thank you for clarifying that.
6 Actually I was going to ask why Mr. Fastow wasn't listed
7 above.

8 Okay. So let me modify what I said earlier. This
9 bond is somewhat unusual in that it makes some distinctions
10 between the different suretors. All right. So the face
11 value of the bond, as we have discussed, is \$15 million.
12 And the conditions generally, or the risks generally are the
13 same in terms of the potential triggers. The bottom line is
14 that Mr. Lopez has to comply with every single term on this
15 bond. No condition -- or I don't view any condition as more
16 important than any other. So not only must he appear in
17 court as required, but he must follow all of the specific
18 conditions that are set forth in the written bond.

19 So let me confirm for you -- or let me confirm for
20 myself, rather, first with you, Mr. Martin. Did you review
21 the bond with all of the conditions in Attachments A, B, and
22 C before you signed it?

23 MR. MARTIN: I did.

24 THE COURT: Mr. Velasquez?

25 MR. VELASQUEZ: Yes, Your Honor, I did.

Proceedings

16

1 THE COURT: And Mr. Fastow?

2 MR. FASTOW: Yes, I've reviewed it all.

3 THE COURT: Okay. So it is very important that
4 you understand that if Mr. Lopez violates any condition,
5 each of you could be in serious financial risk. Now, the
6 extent of that risk is somewhat different for each of you
7 and the nature of it, you know, is somewhat different for
8 each of you.

9 As Mr. Nitze pointed out, in Attachment B, it
10 makes Mr. Martin and Mr. Velasquez potentially liable
11 jointly and severally, meaning by themselves or together,
12 for the full \$15 million appearance amount.

13 Do you understand that, Mr. Martin?

14 MR. MARTIN: I do, Your Honor. This is August
15 Martin.

16 THE COURT: And you, Mr. Velasquez?

17 MR. VELASQUEZ: I do, Your Honor.

18 THE COURT: Okay.

19 MR. VELASQUEZ: This is Scott Velasquez.

20 THE COURT: The important thing that you should
21 understand is that the Government could come after one of
22 you for the whole amount or both of you, but that is up to
23 them how they want to proceed. And that you are in theory
24 putting yourself in risk of a \$15 million judgment.

25 Do you understand that, Mr. Martin?

Proceedings

17

1 MR. MARTIN: I do. I do understand that,
2 Your Honor.

3 THE COURT: And you, Mr. Velasquez?

4 MR. VELASQUEZ: I do.

5 THE COURT: Okay.

6 All right. Now, in addition, Mr. Fastow, you have
7 signed on along with the other two suretors by posting
8 property, which I assume are your personal residences or
9 property that you own. You, Mr. Fastow, along with the
10 other two suretors, are at risk of having the Government go
11 after you for a portion of this appearance bond.

12 And, apparently, it would be I think, and correct
13 me if I'm wrong, Mr. Nitze, \$15 million less \$175,000?

14 Is that correct?

15 MR. FASTOW: That's my understand. This is Wayne
16 Fastow.

17 THE COURT: Thank you. Okay. But hold on.

18 But, Mr. Nitze, am I reading Attachment B
19 correctly, that the \$15 million bond, at least as to
20 Mr. Fastow, could be or would be \$175,000 less because of
21 this surety bond that is being posted?

22 MR. NITZE: Well, no, Your Honor. Mr. Fastow
23 would be on for the property that he has posted. In other
24 words --

25 THE COURT: But he has --

Proceedings

18

1 MR. NITZE: -- the security that he has posted is
2 the value of his property, and that's the extent of his
3 potential liability.

4 THE COURT: Okay. Thank you.

5 All right. So unlike the other two suretors,
6 Mr. Martin and Mr. Velasquez, you, Mr. Fastow, are at least
7 protected to some extent in terms of your exposure because
8 it is limited to the value and the equity that you have in
9 your property.

10 Do you understand that?

11 MR. FASTOW: I do, Your Honor. This is Wayne
12 Fastow.

13 THE COURT: Okay. But importantly, all the
14 suretors should understand that if Mr. Lopez were to violate
15 any condition of his bond, the Government could seize the
16 properties you have posted and sell them. Do you understand
17 that Mr. -- and there could be some limitations on that, but
18 nonetheless, theoretically they could take the property that
19 you have posted to satisfy the bond.

20 Do you understand that, Mr. Martin?

21 MR. MARTIN: I understand, Your Honor.

22 THE COURT: Mr. Velasquez?

23 MR. VELASQUEZ: I understand, Your Honor.

24 THE COURT: Okay. And Mr. Fastow?

25 MR. FASTOW: I understand, Your Honor.

Proceedings

19

1 THE COURT: Okay.

2 Then let me turn now to Mr. DeMayo.

3 MR. DEMAYO: Yes, Your Honor.

4 THE COURT: You said you have now been retained in
5 effect to post this \$175,000 bond for -- and tell me his
6 last name again.

7 MR. DEMAYO: It's [REDACTED] -- or I'm sorry.
8 [REDACTED].

9 THE COURT: Okay. And Mr. Nitze or Mr. Josephs,
10 explain to me, then, what the nature of this bond is and who
11 that individual is.

12 MR. JOSEPHS: Your Honor, this is Sam Josephs. I
13 can explain.

14 THE COURT: All right. Thank you.

15 MR. JOSEPHS: Attachment C is the corporate surety
16 bond that is being posted with the Court and secured by
17 property of a third party, and the third party is the
18 individual that Mr. DeMayo described.

19 THE COURT: Okay. So I have never dealt with
20 something like this. Do I need to advise someone other than
21 Mr. DeMayo about the risk posed by signing on to this bond
22 or posting this security?

23 MR. NITZE: This is Sam Nitze. No, I don't
24 believe so, Your Honor, because the company itself has taken
25 on the liability and then it would be sort of down the

Proceedings

20

1 chain, so to speak, for them to pursue whatever backing they
2 might have for it.

3 THE COURT: Okay. So I don't even need to advise
4 a corporate board member or anything like that?

5 MR. NITZE: I think so long as Mr. DeMayo has been
6 advised, that is sufficient.

7 THE COURT: Okay.

8 So, Mr. DeMayo, do you understand that if
9 Mr. Lopez fails to comply with all of the conditions of his
10 bond, as well as appear in court as required, the \$175,000
11 that has been posted will be forfeited?

12 Do you understand that?

13 MR. DEMAYO: Yes, Your Honor.

14 THE COURT: Okay.

15 MR. DEMAYO: Yes, Your Honor, I do understand
16 that.

17 THE COURT: All right. And you have an obligation
18 to advise the client, or whoever purchased this surety bond
19 of that.

20 Is that correct?

21 MR. DEMAYO: Yes, Your Honor.

22 THE COURT: And you have done that?

23 MR. DEMAYO: Yes, Your Honor. We -- we have, and
24 I think also the defendant's attorneys have as well.

25 THE COURT: Okay. And before signing

Proceedings

21

1 Attachment C, were you provided a copy of the bond along
2 with Attachments A and B?

3 MR. DEMAYO: Yes, Your Honor, I have them here as
4 well.

5 THE COURT: All right. So you are aware of all of
6 the conditions that Mr. Lopez is subject to?

7 MR. DEMAYO: Yes.

8 THE COURT: Okay.

9 All right. So based on my colloquy with the
10 parties and the representations of the attorneys, I do find
11 that the suretors are fully informed of the consequences of
12 their endorsement of the bond. I am going to endorse this
13 bond.

14 Now, I believe I previously advised the defendant
15 of the consequences of this bond. Mr. Josephs or Mr. Nitze,
16 do you think I need to advise the defendant any further at
17 this time?

18 MR. NITZE: Your Honor, this is Sam Nitze. I
19 think it would be worth swearing in the defendant and
20 notifying him again, or at least just confirming his
21 understanding of the conditions you have referenced. And I
22 say that because before we did not have an executed bond
23 form, hadn't confirmed signature, and also the mix and
24 nature of the partial security was still subject to being
25 sorted out.

Proceedings

22

1 THE COURT: Okay. Sure.

2 MR. NITZE: And so based on that, I think it would
3 be worthwhile.

4 THE COURT: Okay. Fair enough.

5 So, Mr. Lopez, I am going to have you sworn in.

6 THE DEFENDANT: Yes, Your Honor.

7 **H E R N A N L O P E Z,**

8 called as a witness having been first duly
9 sworn/affirmed, was examined and testified as
10 follows:

11 THE COURTROOM CLERK: Please state your name for
12 the record.

13 THE DEFENDANT: Hernan Lopez.

14 THE COURTROOM CLERK: Thank you.

15 THE COURT: Okay. So, Mr. Lopez, have you signed
16 this appearance bond on the bottom of the first page?

17 THE DEFENDANT: Yes, I have, Your Honor.

18 THE COURT: Okay. And did you do so on or
19 about -- well, when did you do that actually?

20 THE DEFENDANT: I believe it was -- it was this
21 weekend, either Saturday or Sunday. I think it was
22 Saturday.

23 THE COURT: Okay. And at the time that you signed
24 it, did you review all of the conditions in it yourself
25 and/or with your attorney?

Proceedings

23

1 THE DEFENDANT: I reviewed them myself and my
2 attorneys had advised me of the conditions before that.

3 THE COURT: Okay. And did you do that
4 telephonically?

5 THE DEFENDANT: Yes, Your Honor.

6 THE COURT: Okay. So you are aware, are you not,
7 that this is a \$15 million secured bond; that you have three
8 individuals who have signed on as suretors; as well as a
9 \$175,000 bond that has been posted, I gather, by a third
10 party, perhaps someone related to your company.

11 Are you aware of that?

12 THE DEFENDANT: I am, Your Honor.

13 THE COURT: Okay. Are you also aware -- and,
14 again, I am just summarizing the main points -- that your
15 travel will be restricted or your whereabouts will be
16 restricted to the Central District of California and
17 New York City unless approved with two-days advanced notice
18 by Pretrial Services to leave those areas?

19 MR. SPERTUS: I am, Your Honor.

20 THE COURT: All right. And are you also aware
21 that you will be subject to random visits by
22 Pretrial Services, and that you will have to report as
23 directed by Pretrial Services?

24 THE DEFENDANT: Yes, Your Honor.

25 THE COURT: Have you already surrendered your

Proceedings

24

1 passport as required by this bond?

2 THE DEFENDANT: I have, Your Honor.

3 THE COURT: Okay. In addition, you will be
4 subject to curfew between 10:00 p.m. to 6:00 p.m. or as
5 directed by Pretrial Services.

6 Are you aware of that?

7 THE DEFENDANT: Yes, Your Honor.

8 THE COURT: All right. And then you will also be
9 required to report to Pretrial Services any conversion of
10 any portion of your ownership; stake in Wondery, spelled
11 W-O-N-D-E-R-Y, into cash or any other form or liquid asset?

12 You are aware of that condition as well, are you
13 not?

14 THE DEFENDANT: I am, Your Honor.

15 THE COURT: All right. And you are also directed
16 not to have any association or contact with your
17 co-defendants or any individual employed by or associated
18 with any sports marketing company identified in the
19 indictment, which would include *Torneos*, Full Play, and the
20 Traffic Group, or their subsidiaries or affiliates;
21 CONCECAF, or any affiliated or constituent entity; CONMEBOL,
22 and any affiliated or constituent entity; FIFA, and any
23 affiliated or constituent entity; and finally,
24 *21st Century Fox*, or any currently or formerly affiliated
25 entity regarding, for the context, has to be that you're not

Proceedings

25

1 allowed to do, has to be about the allegations in the
2 superseding indictment.

3 Do you understand that no-contact or association
4 provision?

5 THE DEFENDANT: I do, Your Honor.

6 THE COURT: Okay. It is important to note that
7 you're not precluded -- or your counselor, rather, is not
8 precluded from contacting any of these individuals in
9 connection with your defense. And it does not preclude a
10 co-defendant meeting as part of a joint defense agreement.

11 Do you understand that?

12 THE DEFENDANT: I do.

13 THE COURT: Okay. So lastly as I said before,
14 what is most important for you to understand is that if you
15 violate any term of this bond, and there are quite a few as
16 you can appreciate, you will both be subjecting your friends
17 to financial ruin and the seizure of their property, and you
18 yourself will have issued against you a \$15 million
19 judgment, as well as potentially incurring other criminal
20 charges such as bail jumping.

21 So do you understand that?

22 THE DEFENDANT: I do, Your Honor.

23 THE COURT: All right. Do you have any questions
24 at all about the bond that you have signed?

25 THE DEFENDANT: I don't, Your Honor. I've

Proceedings

26

1 reviewed them extensively with my attorney.

2 THE COURT: Okay. And I should have added that
3 obviously if you fail to comply with any condition, this
4 surety bond will be executed against by the Government for
5 \$175,000.

6 Do you understand that?

7 THE DEFENDANT: Yes, Your Honor.

8 THE COURT: Okay.

9 All right. Is there anything else, Mr. Nitze,
10 that I ought to advise or confirm with Mr. Lopez?

11 MR. NITZE: No. From the Government's
12 perspective, that is sufficient. Thank you, Your Honor.

13 THE COURT: Okay.

14 All right. And you, Mr. Josephs?

15 MR. JOSEPHS: No, Your Honor. Thank you.

16 THE COURT: All right. I think that covers
17 everything that we need to do today. This bond will be
18 entered pursuant to the normal policy. The private
19 information will be redacted in the publicly filed version,
20 you know, such as addresses of homes that are being posted,
21 et cetera.

22 I think contrary to what we did last time,
23 Mr. Nitze will take care of that pursuant to our standard
24 procedures unless there is some reason that the parties want
25 to get together to propose additional redactions to the

Proceedings

27

1 public version.

2 MR. NITZE: That's fine from the Government's
3 perspective. I defer to Mr. Josephs, if he thinks it would
4 be worthwhile to confirm something, we'll be happy to join
5 in that effort also.

6 MR. JOSEPHS: No, Your Honor. This is Sam
7 Josephs. That's fine as well.

8 THE COURT: Okay. So just rest assured, we will
9 take out the addresses, but otherwise, the other terms of
10 the bond will be posted in the public version. Okay?

11 Anything else from the Government?

12 MR. NITZE: Nothing from the Government. Thank
13 you.

14 THE COURT: Mr. Josephs?

15 MR. JOSEPHS: No, Your Honor. Thank you.

16 THE COURT: All right.

17 Is there anything from the suretors? Did anyone
18 want to say anything before we get off the line?

19 Mr. Martin?

20 MR. MARTIN: I have nothing to add. Thank you so
21 much, Your Honor.

22 THE COURT: Mr. Velasquez?

23 (No audible response.)

24 THE COURT: Oops. I don't think you unmuted,
25 Mr. Velasquez.

Proceedings

28

1 MR. VELASQUEZ: Oh, I'm sorry. No, Your Honor.
2 Thank you.

3 THE COURT: And Mr. Fastow?

4 MR. FASTOW: No other questions. Thank you,
5 Your Honor.

6 THE COURT: Mr. DeMayo, do you have any other
7 questions?

8 MR. DEMAYO: No other questions, Your Honor.
9 Thank you.

10 THE COURT: Okay.

11 And Pretrial Services, did you have anything you
12 wanted to say or ask?

13 MR. MOORE: No, Your Honor. Other than to know
14 who to fax over to today an unredacted copy of the bond,
15 please.

16 THE COURT: Okay. Good.

17 Thank you everyone and be safe.

18 ALL PARTIES ON THE LINE: Thank you.

19 THE COURT: Bye-bye.

20 (Matter concluded.)

21 --oo0oo--

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23 *I (we) certify that the foregoing is a correct transcript*
24 *from the record of proceedings in the above-entitled matter.*

25 /s/ David R. Roy
DAVID R. ROY

21st Day of April, 2020
Date